

OVERVIEW OF BUDGET

DEPARTMENT: ECONOMIC AND COMMUNITY DEVELOPMENT
DIRECTOR: THOMAS R. LAURIN

2003-04

	<u>Appropriation</u>	<u>Revenue</u>	<u>Local Cost</u>	<u>Fund Balance</u>	<u>Staffing</u>
ECD Consolidated	66,916,771	45,630,828		21,285,943	61.0
Economic Promotion	780,751	-	780,751		2.0
Small Business Dev	200,107	40,000	160,107		4.0
TOTAL	67,897,629	45,670,828	940,858	21,285,943	67.0

BUDGET UNIT: ECONOMIC AND COMMUNITY DEVELOPMENT
CONSOLIDATED (SAR, SAS, SAT, SAU, SAV, SBA,
SBC, SBD, SBE, SBQ, SBR, SBT, SBW, SBZ, SCS, SDJ,
SDK, SDR)

I. GENERAL PROGRAM STATEMENT

Economic and Community Development is responsible for applying for and administering federal, state, and local grant funds allocated to the County of San Bernardino for housing, economic, and community development programs. Federal funds comprise a large percentage of the total monies included in the department's budget through Community Development Block Grant (CDBG), the Emergency Shelter Grant (ESG), Home Investment Partnership Grant (HOME), the Neighborhood Initiative Grant (NI), and the Economic Development Initiative Program (EDI) Grant.

II. BUDGET & WORKLOAD HISTORY

	<u>Actual 2001-02</u>	<u>Budget 2002-03</u>	<u>Estimated 2002-03</u>	<u>Department Request 2003-04</u>
Total Appropriation	23,021,281	56,888,676	25,778,338	66,916,771
Total Revenue	27,223,213	41,540,670	31,716,275	45,630,828
Fund Balance		15,348,006		21,285,943
Budgeted Staffing		61.0		61.0

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in this fund are typically less than budgeted. Most of ECD's revenue is from federally funded grants that are for longer than one year, thus revenue is under realized for each individual fiscal year, but totally realized over the period of the grants. The unexpended and unrealized amounts in 2002-03 have been carried over to the subsequent year's budget.

III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

STAFFING CHANGES

This budget remains at 61.0 budgeted staffing. An ECD Analyst II 1.0 budgeted staffing has been added to handle the additional workload due to the increase in funding and subsequent increase in Community Development Block Grant projects, this increase is offset by the deletion of 1.0 Educational Specialist due to workload reduction in the HOME section.

PROGRAM CHANGES

None.

ECONOMIC AND COMMUNITY DEVELOPMENT

OTHER CHANGES

None.

IV. VACANT POSITION IMPACT

The department has a total of 3.0 vacant budgeted positions in their 2003-04 Department Request Budget. The breakdown of these positions is as follows:

Vacant Budgeted Not In Recruitment	1.0	Slated for Deletion
Vacant Budgeted In Recruitment	<u>2.0</u>	Retain
Total Vacant	3.0	

Vacant Position Restoration Request:

The department has submitted a policy item for the restoration of the 1.0 vacant budgeted position that is slated for deletion. The County Administrative Office recommends Policy Item #1, which would restore the department's request of 1.0 vacant Clerk II position for the HOME program. This restoration is being recommended because this position is needed to process HOME loan applications and is funded by federal HOME program funds.

CAO Rec	Policy Item	Program	Budgeted Staff	Program Description
x	1	HOME Program	1.0 \$32,002 Revenue Supported	The HOME Program uses federal grant funds to assist first time home buyers, offer rental assistance, acquire and rehabilitate or construct housing for low to moderate income families. The Clerk II process Home Ownership Assistance Program requests.

V. OTHER POLICY ITEMS

None.

VI. FEE CHANGES

None.

GROUP: Economic Development/Public Service
DEPARTMENT: Economic and Community Development

FUNCTION: Public Assistance
ACTIVITY: Other Assistance

FUND: Consolidated Special Revenue
(SAR, SAS, SAT, SAU, SAV, SBA, SBC, SBD, SBE,
SBQ, SBR, SBT, SBW, SBZ, SCS, SDJ, SDK, SDR)

ANALYSIS OF 2003-04 BUDGET

	A	B	C	D	B+C+D E Board Approved Base Budget
	2002-03 Year-End Estimates	2002-03 Final Budget	Base Year Adjustments	Mid-Year Adjustments	
<u>Appropriation</u>					
Salaries and Benefits	3,277,071	3,530,594	298,187	-	3,828,781
Services and Supplies	970,013	1,564,483	10,354	-	1,574,837
Grants/Direct Projects	19,101,878	48,281,576	-	-	48,281,576
Central Computer	29,854	51,187	(16,938)	-	34,249
Transfers	<u>3,971,394</u>	<u>4,235,923</u>	<u>-</u>	<u>-</u>	<u>4,235,923</u>
Total Exp Authority	27,350,210	57,663,763	291,603	-	57,955,366
Reimbursements	(1,695,120)	(3,436,155)	-	-	(3,436,155)
Total Appropriation	25,655,090	54,227,608	291,603	-	54,519,211
Operating Transfer Out	<u>123,248</u>	<u>2,661,068</u>	<u>-</u>	<u>-</u>	<u>2,661,068</u>
Total Requirements	25,778,338	56,888,676	291,603	-	57,180,279
<u>Revenue</u>					
Fines & Forfeitures	1,107	1,500	-	-	1,500
Taxes	12,498	31,983	-	-	31,983
Use of Money & Prop	798,050	629,099	-	-	629,099
State, Fed or Gov't Aid	19,300,515	33,586,270	291,603	-	33,877,873
Other Revenue	<u>11,604,105</u>	<u>7,291,818</u>	<u>-</u>	<u>-</u>	<u>7,291,818</u>
Total Revenue	31,716,275	41,540,670	291,603	-	41,832,273
Fund Balance		15,348,006	-	-	15,348,006
Budgeted Staffing		61.0	-	-	61.0

GROUP: Economic Development/Public Services
DEPARTMENT: Economic and Community Development
FUND: Consolidated Special Revenue
(SAR, SAS, SAT, SAU, SAV, SBA, SBC, SBD, SBE
SBQ, SBR, SBT, SBW, SBZ, SCS, SDJ, SDK, SDR)

FUNCTION: Public Assistance
ACTIVITY: Other Assistance

ANALYSIS OF 2003-04 BUDGET

	E	F	E+F G	H	G+H I	J	I+J K
	Board Approved Base Budget	Recommended Program Funded Adjustments	2003-04 Department Request	Vacant Position Impact	2003-04 Proposed Budget (Adjusted)	Recommended Vacant Restoration	2003-04 Recommended Budget
Appropriation							
Salaries and Benefits	3,828,781	69,281	3,898,062	(32,002)	3,866,060	32,002	3,898,062
Services and Supplies	1,574,837	891,505	2,466,342	-	2,466,342	-	2,466,342
Grants/Direct Projects	48,281,576	8,346,844	56,628,420	-	56,628,420	-	56,628,420
Central Computer	34,249	-	34,249	-	34,249	-	34,249
Transfers	<u>4,235,923</u>	<u>1,717,034</u>	<u>5,952,957</u>	-	<u>5,952,957</u>	-	<u>5,952,957</u>
Total Exp Authority	57,955,366	11,024,664	68,980,030	(32,002)	68,948,028	32,002	68,980,030
Reimbursements	<u>(3,436,155)</u>	<u>1,160,588</u>	<u>(2,275,567)</u>	-	<u>(2,275,567)</u>	-	<u>(2,275,567)</u>
Total Appropriation	54,519,211	12,185,252	66,704,463	(32,002)	66,672,461	32,002	66,704,463
Operating Transfer Out	<u>2,661,068</u>	<u>(2,448,760)</u>	<u>212,308</u>	-	<u>212,308</u>	-	<u>212,308</u>
Total Requirements	57,180,279	9,736,492	66,916,771	(32,002)	66,884,769	32,002	66,916,771
Revenue							
Fines & Forfeitures	1,500	-	1,500	-	1,500	-	1,500
Taxes	31,983	(31,983)	-	-	-	-	-
Use of Money & Prop	629,099	207,501	836,600	-	836,600	-	836,600
State, Fed or Gov't Aid	33,877,873	1,516,710	35,394,583	(32,002)	35,362,581	32,002	35,394,583
Other Revenue	<u>7,291,818</u>	<u>2,106,327</u>	<u>9,398,145</u>	-	<u>9,398,145</u>	-	<u>9,398,145</u>
Total Revenue	41,832,273	3,798,555	45,630,828	(32,002)	45,598,826	32,002	45,630,828
Fund Balance	15,348,006	5,937,937	21,285,943	-	21,285,943	-	21,285,943
Budgeted Staffing	61.0	-	61.0	(1.0)	60.0	1.0	61.0

ECONOMIC AND COMMUNITY DEVELOPMENT

	Base Year Adjustments	
Salaries and Benefits	189,936	Retirement.
	108,251	MOU.
	298,187	
Services and Supplies	11,115	Risk Management Liabilities.
	(761)	Incremental Change in EHAP.
	10,354	
Central Computer	(16,938)	
Total Appropriation	291,603	
Total Revenue	291,603	Increase in revenue to cover base year adjustments.
Fund Balance	-	

ECONOMIC AND COMMUNITY DEVELOPMENT

Recommended Program Funded Adjustments		
Salaries and Benefits	<u>69,281</u>	Increase due to step increases and benefit changes.
Services and Supplies	46,080	Increase in ISD charges.
	(22,078)	Decrease in communication charges.
	256,116	Increase due to settlement payoff (SDJ).
	141,412	Increase in COWCAP charges.
	146,000	Increase for providing additional services due to increased funding (SBA).
	256,116	Increase in fund balance due to High Country Density Housing Settlements (SDJ).
	75,000	Increase in micro loan program professional services due to expense history (SBW).
	(10,576)	GASB 34 Accounting Change (EHAP).
	<u>3,435</u>	Increase in miscellaneous costs.
	<u>891,505</u>	
Grants/Direct Projects	230,522	Increase for providing additional services due to increased funding (SDK).
	(140,433)	Decrease in HOME Program projects due to fund limit (SAS).
	(94,172)	Decrease in Section 108 program projects (SBE).
	742,267	Increase in business expansion loans (SBR).
	6,216,532	Increase in Neighborhood Initiative Program (NIP) grant expenditures for acquisition and rehab of homes (SAR).
	867,384	Increase in small business revolving loans (SBW)
	2,212,755	Increase in CDBG projects due to grant increase and fund reallocations from SBT (SBA).
	(1,632,552)	Decrease in acquisition and rehab loans due to fund allocation trans. (SBT).
	(77,000)	Decrease in Economic Development Initiative (EDI) grant projects due to current year expenditure history (SCS).
	<u>21,541</u>	Increase in miscellaneous costs.
	<u>8,346,844</u>	
Transfers	1,706,458	Moved from operating transfers due to accounting change of object codes.
	<u>10,576</u>	GASB 34 Accounting Change (EHAP).
	<u>1,717,034</u>	
Operating Transfers	(1,706,458)	Moved to transfers due to accounting changes of object codes.
	<u>(742,302)</u>	Decrease in costs allocated to ECD programs.
	<u>(2,448,760)</u>	
Reimbursements	950,636	Reduction of reimbursement for salaries allocated to ECD programs based on actuals.
	209,952	Reduction of reimbursement for services and supplies allocated to ECD programs and county departments based on actuals.
	<u>1,160,588</u>	
Total Appropriation	<u>9,736,492</u>	
Revenue		
Taxes	<u>(31,983)</u>	Reduction of special assessment tax receipts for current and prior years.
Use of Money & Prop	<u>207,501</u>	Increase interest from business expansion loans and Section 108 loans (SBR, SBE).
State, Fed or Gov't Aid	1,705,000	Increase in funds from CDBG (SBA).
	(1,133,058)	Decrease in HOME funds (SAS).
	820,313	Increase in CDBG administration funding based on actuals (SAU).
	964,802	Increase in miscellaneous project funding.
	(40,347)	Decrease in miscellaneous revenues.
	<u>(800,000)</u>	Decrease in available revolving loan funds (SAV).
	<u>1,516,710</u>	
Other Revenue	1,000,000	Increase in NIP revenue from sales of HUD houses (SAR).
	275,000	Increase in revenue based upon actuals (SBW).
	300,000	Increase in CDBG revolving loans revenue (SAV).
	160,000	Increase in CDBG project income (SBA).
	250,000	Increase in CDBG revenue (SAU).
	100,000	Increase in CDBG housing acquisition revenue (SBT).
	<u>21,327</u>	Increase in miscellaneous revenues.
	<u>2,106,327</u>	
Total Revenue	<u>3,798,555</u>	
Fund Balance	<u>5,937,937</u>	

ECONOMIC AND COMMUNITY DEVELOPMENT

Vacant Position Impact Summary

	Authorized	Budgeted Staffing	Salary and Benefit Amount	Revenue	Local Cost
Vacant Budgeted Not In Recruitment - Delete	1	1.0	32,002	32,002	-
Vacant Budgeted In Recruitment - Retain	2	2.0	110,581	110,581	-
Total Vacant	3	3.0	142,583	142,583	-
Recommended Restoration of Vacant Deleted	1	1.0	32,002	32,002	-

Vacant Position Impact Detail

	Position Number	Budgeted Staffing	Salary and Benefit Amount	Revenue	Local Cost
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Note: If position is seasonal indicate next to Classification (Seasonal - May through August)

Vacant Budgeted Not In Recruitment

	-	-	-	-
	-	-	-	-
Subtotal Recommended - Delete	-	-	-	-

<i>Clerk II</i>	7434	(1.0)	(32,002)	(32,002)	-
Subtotal Recommended - Retain		(1.0)	(32,002)	(32,002)	-
Total Slated for Deletion		(1.0)	(32,002)	(32,002)	-

Vacant Budgeted In Recruitment - Retain

<i>Real Estate Specialist</i>	8202	1.0	51,663	51,663	-
<i>ECD Analyst II</i>	LY301118	1.0	58,918	58,918	-
Total in Recruitment Retain		2.0	110,581	110,581	-

NOTE: If applicable, the vacant position will be bolded if included in the 30% Cost Reduction Plan not yet implemented. If applicable, the seasonal vacant position that is currently not filled will indicate which months they are needed.